GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:225
ANSWERED ON:08.08.2006
SCHEME FOR INTEGRATED TEXTILE PARKS
Gadhavi Shri Pushpdan Shambhudan;Kanodia Shri Mahesh Kumar

Will the Minister of TEXTILES be pleased to state:

(a) whether a new scheme for Integrated Textile Parks has been formulated by merging the existing schemes;

(b) if so, the details thereof;

(c) whether the new scheme is detrimental to the interests of the public sector;

(d) if not, the manner in which it is likely to benefit the public sector?

Answer

MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA)

(a) to (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 225 FOR ANSWER ON 08.08.2006

(a): Scheme for Integrated Textile Parks was launched in the year 2005-06 by merging the erstwhile Apparel Park for Exports Scheme (APES) and Textile Centre Infrastructure Development Scheme (TCIDS).

(b): The SITP is based on Public Private Partnership (PPP) model, where Industry Associations / Group of Entrepreneurs would be the main promoters of the Textile Park by forming a Special Purpose Vehicle (SPV). The Scheme provides for funding of project through a mix of Equity/Grant from the Government of India (GOI), State Government, State Industrial Development Corporation, and Loan from Banks/ Financial Institutions. However, the combined equity stake of GOI/State Government/State Industrial Development Corporation, if any, should not exceed 49%. The remaining 51% of the equity will have to be retained by the SPV so that it shall have operational autonomy. The Government of India's support under the scheme by way of Grant or Equity is limited to 40% of the project cost subject to a ceiling of Rs. 40 Crore.

So far 26 projects have been sanctioned at an estimated project cost of Rs. 2428.23 Crore, out of which Government of India Grant would be Rs. 866 Crore. The estimated investment in these parks is Rs. 13,445 Crore and estimated annual production is about Rs 19,200 Crore. Estimated employment generation is about 5.29 lakh (1.93 lakh direct & 3.36 indirect).

(c): No, Sir.

(d): The public sector can have equity participation in the Textile Parks.